

UNITED STATES BANKRUPTCY COURT
DISTRICT OF VERMONT

IN RE: :
: :
HERMITAGE INN REAL ESTATE : CASE NO. 19-10214
**HOLDING COMPANY, LLC :
: :
: :
Alleged Debtor : INVOLUNTARY
: CHAPTER 7**

LIMITED OBJECTION TO EMERGENCY MOTION UNDER 11 U.S.C. §303(f)

Hermitage Inn Real Estate Holding Company, LLC (“HIREHCO”), the alleged debtor herein, by and through its undersigned counsel, respectfully objects, on a limited basis, to the Emergency Motion of Berkshire Bank to Keep State Court Appointed Receiver in Place During the Gap Period to Preserve and Maintain Estate Assets or in the Alternative to Appoint an Interim Trustee under 11 U.S.C. §303(g) to Preserve and Maintain Estate Assets During the Gap Period (the “Motion”). HIREHCO consents to the retention of the state court appointed receiver but objects to the appointment of an interim trustee. In support hereof, HIREHCO represents as follows:

1. This involuntary case was commenced on May 22, 2019 upon the filing of an involuntary petition for relief under Chapter 7 by Bobbi Resek, Dan Solaz and Lakeland Bank (collectively, the “Petitioning Creditors”). To date, no order for relief has entered with regard to the involuntary petition.
2. On May 28, 2019, HIREHCO, together with its affiliated entity, Hermitage Club, LLC (the “Club”) filed voluntary petitions for reorganization in the United States Bankruptcy Court for the District of Connecticut, Hartford Division (the “Connecticut

Bankruptcy Cases"). A motion for joint administration of the Connecticut Bankruptcy Cases is pending. HIREHCO and the Club have also filed a motion to approve debtor-in-possession financing with Restructured Opportunities Investors, Inc. ("DIP Lender") which will enable the companies to maintain their businesses during their Chapter 11 proceedings.

3. On May 24, 2019, Berkshire Bank filed the Motion seeking to keep the state court appointed receiver in place during the Gap period or, in the alternative, seeking the appointment of an interim trustee under §303(g) of the Bankruptcy Code. HIREHCO consents to the continued retention of FTI Consulting, Inc., through its agent, Alan Tantleff (the "State Court Receiver"). On May 28, 2019, the Petitioning Creditors filed their statement of no objection to the relief requested in the Motion.
4. HIREHCO submits that the continued retention of the State Court Receiver is the appropriate measure to maintain the status quo and preserve the estate assets during the Gap period.
5. HIREHCO and the Club intend to pursue an expedited reorganization process in the Connecticut Bankruptcy Cases. It has negotiated benchmarks with its DIP Lender that would require confirmation of a plan of reorganization within six months of the Petition Date. HIREHCO and the Club intend to pursue an expedited course to reorganize their businesses for the benefit of their creditors and estates. In aid of that process, HIREHCO will, in short order, file a Motion to Transfer Venue from this Court to the Connecticut Bankruptcy Court.
6. In light of the pendency of the Connecticut Bankruptcy Cases and the desire of HIREHCO, the alleged debtor herein, to transfer venue from this court to the

Connecticut Bankruptcy Court, maintaining the status quo during the gap period is in the best interest of alleged debtor, the creditors and the estate. The appointment of an interim trustee, unfamiliar with the fairly complex history of HIREHCO, would add a layer of expense to this involuntary case that could be debilitating to the reorganization efforts in the Connecticut Bankruptcy Cases.

WHEREFORE, for all the foregoing reasons, HIREHCO respectfully consents to the continued retention of the State Court Receiver but objects to any appointment of an interim trustee.

HERMITAGE INN REAL ESTATE
HOLDING COMPANY, LLC, Alleged
Debtor

By: /s/
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